

INCOMING TELEGRAM

Department of State

ACTION COPY

34

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Action

Classification

Control: 19907

FE

Rec'd: August 31, 1960  
1:23 a.m.

Info

FROM: Djakarta

SS

TO: Secretary of State

G

NO: ~~526~~ <sup>602</sup>, August 30, 6 p.m.

SP

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LIMIT DISTRIBUTION TO DEPARTMENT ONLY.

CINCPAC, reference 272259Z, has again raised question of country to country agreement covering technical assistance to be furnished Indonesian Navy by United States Navy's Bureau of Yards and Docks. Point made is that US investment contemplated requires a more binding agreement than present one between MILTAG and Indonesian Navy. I am convinced a country to country agreement should not be sought at this time. Proposal would in all probability be turned down or delayed to death and present good relations between MILTAG and ALRI might be impaired. Moreover, I believe commitment by ALRI adequate protection US investment. I have so informed CINCPAC.

JONES

JAK-9

Action Assigned to *RM*Action Taken *Noted*Date of Action *9/1/60*Action Office Symbol *SFA*Name of Officer *W. A. Angel*Direction to DC/R *FILE*

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611.987/8-3060

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Authority NND 949629

By *207* NARA Date 8/11/00

INCOMING TELEGRAM

Department of State

ACTION COPY

33

CORRECTION

9/3/60, 5:48 A.M.

Action  
FE

Classification

Control:

19907

Rec'd:

August 31, 1960

1:23 A.M.

Info

FROM: Djakarta

SS

TO: Secretary of State

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SP

NO: 602, August 30, 6 P.M.

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The serial number of this message, received as 616, should be corrected to 602.

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FW 611.987/8-3060

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Action Taken

Noted

Date of Action

Action by

Name of Officer

Direction to DC/R

9/3/60  
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CORRECTION

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Authority NND 949629

By [Signature] NARA Date 8/11/00

*W*  
S/AE:WChapin:rvm  
(Drafting Office and Officer)

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*Info Aggie*  
~~S/AE FILE COPY~~

DEPARTMENT OF STATE

**Memorandum of Conversation**

DATE: Sept. 21, 1960

SUBJECT: Indonesian Peaceful Uses Agreement and Reactor Grant Proposal

PARTICIPANTS: Mr. Sumitro, Indonesian Embassy  
SEA - Mr. Wenzel  
S/AE - Mr. Chapin

COPIES TO: SEA - Mr. Wenzel  
L/T - Mrs. McDowell  
AEC (2)  
Amembassy Djakarta  
Amembassy Tokyo

*XR*  
*898.1901*

611.987/9-2160

The Indonesians gave the Department a note on September 14, 1960 stating that their Government had complied with all the statutory and constitutional requirements to bring into effect the Agreement for Cooperation Concerning Civil Uses of Atomic Energy, signed at Washington on June 8, 1960. Mr. Chapin gave a note to Mr. Sumitro dated September 21, acknowledging the Indonesian note and stating that the United States Government had complied with all its statutory and constitutional requirements. The Agreement thereby came into effect as of the date of the United States note.

Mr. Sumitro then inquired whether Indonesia could expect to receive in the near future a commitment for the reactor grant and asked whether any United States consultants could come to Indonesia to examine the reactor proposal.

Mr. Chapin replied that no fixed date could be given for a letter of commitment, but that there appeared to be no serious obstacles at the moment to the approval of the grant. He added that the AEC Scientific Representative in Tokyo, Mr. Pennington, and perhaps another representative of the AEC might possibly be in a position to visit Indonesia in the near future.

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*14 1961*  
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By lat NARA Date 8/11/00

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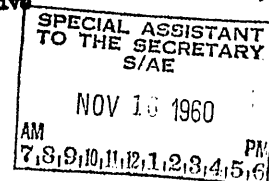
A. A. Wells, Director  
Division of International Affairs

November 7, 1960  
TOAEC 253

W. Herbert Pennington, AEC Scientific Representative  
Tokyo Office

VISIT TO INDONESIA

Symbol: TO:WHP



The writer visited Indonesia October 27-31, 1960, for consultations on atomic energy matters with the United States Mission, IAEA, Institute of Atomic Energy and Bandung Institute of Technology personnel. Bandung was visited October 27-29 for discussions and inspection of the new site for the reactor.

The reactor project is moving ahead slowly having been delayed somewhat by a change in site, summer vacation and indecision as to whether or not to employ an Architect-Engineer (Holmes and Narver) for assistance in the project. A provisional contract was signed with General Atomic for the reactor to become effective when the reactor grant is received from the United States but to terminate April 1961 if there is no grant by then. The bilateral agreement lacks the signature of President Sukarno to become effective. Dr. Sivabessy expects him to sign it soon. The writer estimates that the project can be completed approximately 18-24 months following approval of the reactor grant so that the earliest date for completion is 1962. This probably will be about two years ahead of the USSR reactor and will permit time for adequate training of staff.

The IAEA has been slow to react to requests for assistance to Indonesia. USSR offered fellowships for long-term training have been implemented but only three of the IAEA fellowships have been made available. An IAEA health physics expert, Mr. Robert Alexander, formerly of Atomic International, arrived in October for a one year tour. He is stationed in Bandung at present but will work with other groups in Indonesia per Dr. Sivabessy. This will include the Institute of Atomic Energy, Gadjah Mada University and the Pasar Minggu staffs.

Considerable assistance is being given to USOM in the atomic energy program by Dr. John Frankel who is a member of the UCLA contract team at Gadjah Mada University at Jogjakarta. He assisted the writer during his visit. He is a professor of nuclear engineering

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TOAEC 253, continued  
Subject: Visit to Indonesia

2.

and has had considerable experience in the atomic energy field at the California Research and Development Corporation before going to UCLA. He has picked up the uncompleted work of Dr. Brownell of Michigan University designing the Radiation Research Laboratory for Pasar Minggu. This work is nearly completed.

The writer is concerned with the staff situation and is still somewhat unimpressed by the extent of reactor knowledge of the staff members met thus far. The current training program coupled with the delays in the initiation of the project will help to provide staff that may operate the reactor safely. However, the effective utilization of this limited capability reactor may require quite a long period to achieve. More assistance should be forthcoming from IAEA in the form of fellowships and experts. USOM can assist materially by recruiting nuclear trained staff for the University of Kentucky team working at the Institute of Technology. In addition, continued utilization of Dr. Frankel and other nuclear scientists in Indonesia will be most helpful.

Meetings with Dr. Sivabessy

The writer met with Dr. G. A. Sivabessy, Chairman of the Institute of Atomic Energy, on October 27 and 29 to discuss matters of mutual interest. The writer found Dr. Sivabessy somewhat nervous, impulsive and seriously concerned about the Indonesian Atomic Energy Program. He was quite critical of IAEA and the lack of results that they have had from them in the form of technical assistance. He insists that the IAEA to date has been highly politically influenced and they need only send politicians to their meetings. He is against sending their low level technical staff there for the Secretariat since they are not atomic energy experts and are greatly needed at home. In addition, he feels that they use it as a means of "escaping" conditions at home.

The USSR Research Reactor "Grant" was discussed. The "grant" is part of a quarter billion dollar loan program the terms of which were pretty well dictated by USSR. Among the items was a one megawatt swimming pool research reactor. The reactor will be the responsibility of the Ministry of Industry and will be used for industrial research and irradiations as well as radioisotope production. Dr. Sivabessy (and Dr. Ong and Mr. Djali Ahimsa) indicated that the reactor project is of such low priority that it will not be initiated until at least 1962 and therefore will be a couple of years behind the Bandung reactor. Therefore, in view of the later schedule and separate Ministry concerned they don't expect serious competition between the two reactor projects.

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By Lat NARA Date 8/11/00

TOAEC 253, continued  
Subject: Visit to Indonesia

3.

Dr. Sivabessy hopes to get President Sukarno to sign the bilateral agreement soon thereby making it effective. He recently signed the contract for the TRIGA Mark II Research Reactor with General Atomic. The latter will become effective when the research reactor grant is received but will terminate April 1961 if the grant is not received. The contract guarantees the reactor for a 12-month period after construction instead of having a definite term from date of contract. Dr. Sivabessy inquired as to the status of the reactor grant and was told that it was under consideration but USAEC required supplemental information for the proposal as outlined in letter from M. B. Kratzer to Dr. Sivabessy on August 24, 1960. (Dr. Sivabessy had not received this letter and the questions raised in it were reviewed with him and the Bandung staff.)

He has delegated the responsibilities for the project to the Institute of Technology with Mr. Djali Ahimas, ISNSE No. 8, serving as liaison between his office and the Institute. He wants the Institute to avail themselves of the services of Holmes and Narver as Architect-Engineer for the design and construction of the reactor hall and laboratory wing but was leaving the decision up to Professor Ong. He feels that the local people do not have sufficient experience to do this project in a first class and expeditious manner. Since this is the first reactor he thinks that the project should have this outside assistance. (The writer agreed and in subsequent discussions at Bandung it was agreed to use H&N for design supervision and drawing checking and negotiate for construction supervision later.)

Dr. Sivabessy was favorably impressed by the USSR offers for long term (i.e., 5-6 years) training of nuclear scientists starting at the undergraduate level. He admits that there will be considerable "brainwashing" for the first year but if they become Communists they should stay in USSR. He wants them back in Indonesia as non-Communist, well trained scientists. He made a strong plea for the United States to offer more long term training for them instead of the approximately one year that has been offered in the past for courses at ANL and ORNL. He feels that people from Indonesia require many months of orientation and to get the "sightseeing" out of their system. Therefore, the longer period is required for an effective program. He was discouraged from his original idea to send scientists for their entire undergraduate training since there is insufficient background at that stage to permit good selection of candidates.

He is specifically interested in sending a team of five or six raw materials trainees to work in the various phases of prospecting and

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By 207 NARA Date 8/11/00

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TOAEC 253, continued  
Subject: Visit to Indonesia

4.

ore processing for several years. He wants them to be a rather self-sufficient team to initiate an active program for Indonesia when they return. It was suggested that such a program be proposed through IAEA or the local USOM for consideration. (The Geology Department at the Institute of Technology is having great difficulty getting a relatively small appropriation for a modest prospecting program which does indicate some ambiguity in Sivabessy thinking concerning the raw materials program.)

Dr. Sivabessy almost completely discounted IAEA help in training the reactor project staff and will look to USOM for most of his assistance. He is depending on USOM through the University contracts for considerable assistance in his Radiation Research Facility at Pasar Minggu and the Radioisotope Laboratory and subcritical assembly at Gadjah Mada University.

Dr. Sivabessy plans to use the IAEA health physics expert for teaching health physics on a country-wide basis. He wants to keep him in Indonesia for an extended period, particularly until after the reactor goes critical. This will require a stay of two to three years and an extension of the current one-year contract.

He was given a copy of the technical films available through the Tokyo Office and plans to use those that were taken to Bandung by the writer, G-2, 16, 33 and M-51. He is highly in favor of a public education program through the medium of films. He was advised to stay in touch with USIS to obtain popular level films on atomic energy. He does prefer to have the films for use in his own organizations versus open shows in USIS facilities. He thinks that it is difficult to get good attendance in USIS facilities.

Incidentally, he is interested in getting a 2-3 year training fellowship in the United States for Mrs. Sivabessy (No. 2) who is a (young and charming) chemist and designated head of the Radiation Research Laboratory at Pasar Minggu. Mrs. Sivabessy did not seem overly enthusiastic about the proposal though.

#### Research Reactor Project

Discussions were held at Bandung with Professor Ong, Mr. Djali Ahinsa, Mr. Alexander, IAEA, Dr. Frankel, UCLA and Mr. Saunders, USOM. The major areas of discussion were the new reactor site which was inspected, use of Holmes and Narver as Architect-Engineer, staff training, equipment, waste disposal and health physics program.

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TOAEC 253, continued  
Subject: Visit to Indonesia

5.

Mr. Robert Alexander, formerly health physicist with Atomic International and Convair, had arrived the previous week as an IAEA sponsored expert and was requested by Professor Ong to sit in on the discussions. Despite his being somewhat inexperienced and insisting on rather strong dominance of the project by the Health Physicist the writer feels that he can be of considerable help to the project. However, he as arrived too early to be of direct assistance at the time the reactor may go critical even with a one-year extension. A radiochemist has been promised by IAEA but he has not been assigned.

The points raised in the August 24, 1960, letter from Kratzer to Sivabessy were discussed and it was suggested that supplemental information be submitted for the reactor proposal with particular emphasis on new site conditions, staff training, revised costs, use of architect-engineer for the project, schedule and waste disposal plans.

The project has not developed inertia as yet due to inadequate staff, summer vacation, lack of liaison and general conditions that one finds in a country such as Indonesia. When A. C. Johnson of General Atomic visited Bandung in early June of this year, he strongly recommended that the Institute engage the Holmes and Narver Engineering Co. of Los Angeles as architect-engineer for the research reactor project. H&N is subcontractor for General Atomic for construction of the biological shield and reactor tank system. H&N subsequently submitted a proposal to offer several phases of services during the specification setting, initial design, final design, design drawing check, procurement and construction supervision stages of the project. This service would include both supervision of work in Indonesia by H&N representatives and some work by their staff in Los Angeles. Since H&N are subcontractors to General Atomic for construction of the biological shield and tank systems they were able to offer an attractive price to the Indonesians on the above work. The General Atomic work would involve some overlap with the architect-engineer services offered directly to the Indonesians thereby keeping the cost down. The approximate cost for all phases for the reactor hall and laboratory wing was about \$62,500 plus the local living expenses of the engineers.

Dr. Sivabessy plans to send a letter to Holmes and Narver indicating an immediate interest in assistance with approximately half the phases including the design stages with possible later interest in the procurement and construction supervision phases. It was generally agreed that an American engineering firm could be a valuable asset to the project in assuring a high degree of technical competence in the design and construction of the facility.

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TDABE 253, continued  
Subject: Visit to Indonesia

6.

The Indonesians have half the 13,000,000 (U.S. \$269,000) rupiah that the project is expected to require and this amount must be committed in this calendar year. However, Mr. Saunders of USOM has indicated that this money can be recommitted next year. The above cost is a very rough estimate and does not include many items such as site cost, site development, waste disposal, local currency costs associated with support of foreign engineers. The approximately \$300,000 foreign exchange estimated cost for the reactor does not include the A-E fee for the reactor hall and laboratory wing, waste disposal and ventilation equipment, laboratory equipment and adequate spare parts. A revised estimate will be submitted.

USOM plans to assist in the building and equipping of the laboratory building that will be used for research activities. It will not be directly associated with operation of the reactor but certain phases will be coordinated during design and construction such as ventilation, waste disposal, and interrelated activities.

The Health Physicist and Radiochemist are the only two IAEA experts of the seven requested that have been assigned to Indonesia and the former is the only one that has arrived. However, a biochemist, Dr. Barnett, was recently assigned to the Kentucky contract team at the Institute of Technology and some of his services will be available. Of the thirty-three proposed IAEA fellowships for 1960 only two or three long term ones to USSR have been implemented and none of these are designated for the Reactor Project.

Soetarto Soepadi, ISMSE #8, completed his work for an MS in Nuclear Engineering at the University of Michigan under a National Science Foundation Fellowship this spring and has received a one-year fellowship from the University of Kentucky team and will return in Summer 1961.

Soekardi, a physicist, was sent to the November 1960 Reactor Supervisors School at ORSOFT under USOM sponsorship. Achmad Amirudin, the nuclear chemist who had worked for two years at the University of Kentucky, has extended his training for one year at Oak Ridge. He will return in Summer 1961. Soewarno, the health physics trainee at Bombay will return November 1960 to work with Mr. Alexander.

The reactor site has been moved from the rather limited area on the campus adjacent to Besscha Laboratory to the second site mentioned in the writer's trip report of March 1960. This site is on municipally-owned land across the road and several hundred yards from Besscha Laboratory. This site is somewhat larger and therefore offers some degree of flexibility in locating the reactor building and room for future expansion. The city zoo is immediately adjacent to the site which is on relatively high ground overlooking a small stream. The

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TOAEC 253, continued  
Subject: Visit to Indonesia

7.

property has several "squatters" living on it. In Indonesia, as in other countries in this area, it is nearly impossible to move them. The Institute has not decided what to do about them. Soundings will be made and other data collected for revision of the original reactor proposal. President Kosasih was particularly interested in using the present site since he objected to having such a "facility" of a non-academic nature on the Institute campus.

While this location offers the advantage of easier control of potential contamination it does have the disadvantage of greater separation of areas using radioactive materials. The latter will be a health physics monitoring problem.

Films Program

The following professional level atomic energy films were taken to Indonesia and left with Professor Ong at Bandung:

- G-2 - Research Reactors -- USA
- G-16 - Radiopharmaceuticals: From Reactor to Physician
- G-33 - Iodine - 131
- M-51 - Protecting the Atomic Worker

He will send the films to Dr. Frankel at Gadjah Mada who will return them to USOM for use by Dr. Siwabessy and then return them to the writer in Tokyo. Other films can be made available on request following return of the above four. There was keen interest in use of the films.

cc: Ambassador Jones, Djakarta  
Dr. Allen, Dir., USOM, Djakarta  
J. C. Mason, ICA/Wash. (HOLD for Dr. Saunderson's visit)  
HA Desk/State  
SAE/State  
US Mission to IAEA - Vienna

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INCOMING TELEGRAM

Department of State

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36-39  
Action

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Control: 12279  
Rec'd: December 22, 1960  
7:29 a.m.

XMB  
Info

FROM: Djakarta

SS  
L  
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FE  
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TO: Secretary of State

NO: 1818, December 22

INR  
FRB  
TRSY

Minister Dipokusumo, Department Public Works, at dinner Ambassador's residence December 21 mentioned Ellicot dredge loan \$2.2 million approved by EXIMBANK several months ago and asked when loan agreement will be signed. Embassy requests information regarding status this agreement.

RMR

JONES

bdr

611.987/12-2260

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12-22-60

FILE  
Feb 16 1961

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EXIMBANK

Origin

SENT TO: Ambembassy DJAKARTA

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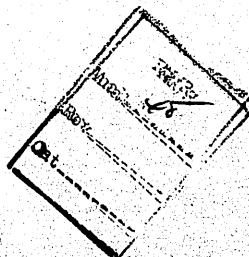
Agreement with Indonesia \$2.2 million for Ellicott Dredges signed  
December 19.

*Merchant*

ACTING

(*CR*) MERCHANT

611.987/12-2260



*Phil R. Atterberry*

Drafted by: EXIM:ESConner *WJK*  
OFD:ED:WKeville:apt 12/28/60

Telegraphic transmission and  
classification approved by: Phil R. Atterberry

Clearances: SPA - Mr. Thrasher *WJK*

EXIM - Mr. - Sauer *WJK*

S/S-CR/

DEC 28 1960

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## DEPARTMENT OF STATE INSTRUCTION

1641

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83  
ORIGIN  
S/AE  
INFO  
REP  
FE  
DNR  
L

NO.: A-71 December 22, 1960

SUBJECT: Indonesian-United States Agreement for Cooperation Concerning  
Civil Uses of Atomic Energy

TO: The American Embassy, DJAKARTA

CIA  
AEC

The Chargé d'Affaires of the Indonesian Embassy in Washington presented to the Department on September 14, 1960 a note stating his Government had complied with all statutory and constitutional requirements to bring subject agreement into effect. A similar note was given to the Chargé by the Department on September 21 stating the agreement would enter into force on that date.

A memorandum report identified as To AEC 253 of November 7, 1960, from W. Herbert Pennington, AEC Scientific Representative, Tokyo Office, to A. A. Wells, AEC Washington, (a copy was also sent to Dr. Allen, Director, USOM, Djakarta) also refers to this agreement. The report states that during a visit to Djakarta October 27-29, 1960, the author of the report was informed by Dr. Siwabessy that "The bilateral agreement lacks the signature of President Sukarno to become effective." The Department would appreciate any information the Embassy can provide as to the appropriate interpretation which should be given Dr. Siwabessy's statement.

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Dist.

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## DRAFTED BY:

S/AE: D. M. [signature]

12/22/60

## APPROVED BY:

S/AE - Dana [signature]

## CLEARANCES:

AEC: - Mr. Slawson (in substance)

SEA - W. Wenzel (in substance)

S/S-CR

DEC 22 1960 PM

611.987/12-2260

611.987/12-2260

LWS

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By [signature] NARA Date 8/11/00

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FOREIGN SERVICE DESPATCH

FROM : Embassy JAKARTA

300

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

October 13, 1960

DATE

REF :

50 For Dept. Use Only	ACTION	DEPT.
	REC'D	OTHER
	SAE-4	RMR-D INR-7 FE-4L-2
	11-12	CIA-10 REC-9

SUBJECT: Request for Laws, Regulations and Congressional Records  
Relating to Atomic Energy

Representatives of the Institute for Atomic Energy of Indonesia, an Indonesian Government organization, have requested: (a) copies of U. S. laws and regulations relating to Atomic Energy; and (b) copies of issues of the Congressional Record or excerpts therefrom recording Congressional discussion during the passage of these laws and their amendments. The Institute desires to use this material in the preparation of basic Atomic Energy law for Indonesia.

As the United States and Indonesia have signed an Atomic Energy Agreement which entered into force on September 21, 1960, the Embassy believes it would be in the interests of the United States to assist the Indonesian Government in preparing its Atomic Energy laws by supplying the material requested.

For the Ambassador:

*Roland H. Bushner*

Roland H. Bushner  
Counselor of Embassy for Political Affairs

Clearance:

ECON (in draft)

POL:RHBushner:lmb  
REPORTER

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FOREIGN SERVICE DESPATCH

611.987/10-1061  
XR 898.2612

FROM : Amembassy DJAKARTA

234

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

October 10, 1961

REF : IV FSM 326

OCT 12 1961

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19 10-18	1-2 10-18	RM-2 ICA-11 B/FAC-5 INR-7 FE-3 Com-10 Army-6 CIA-10 NSA-4

SUBJECT: Transmission of Aide Memoires Relating to Djakarta By-Pass Highway Project

Enclosed are the identical Aide Memoires exchanged by the Ambassador and Minister of Production, Brig. General SUPRAJOGI, on September 30, 1961, constituting agreement on several basic considerations affecting the United States loan financing for the construction of the Djakarta By-Pass Highway. Our attempt to obtain agreement on these considerations had been the subject of an extended exchange of telegrams between the Embassy and USOM and the Department and ICA.

For the Ambassador:

*Jack W. Lydman*  
Jack W. Lydman  
Counselor of Embassy  
for Economic Affairs

611.987/10-1061

Enclosures:

1. Original of Aide Memoire, September 30, 1961, handed by General Suprajogi to the Ambassador (signed by General Suprajogi on the left, by the Ambassador on the right).
2. Certified copy of Aide Memoire, September 30, 1961, handed by the Ambassador to General Suprajogi (signed by the Ambassador on the left, by General Suprajogi on the right).

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OCT 13 1961

MR Rutherford:jml  
REPORTER

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Authority NND 949629  
By *Lat* NARA Date 8/11/00

March 2, 1958

Dear Congressman Baldwin:

I am writing in reply to your letter of January 31 to Secretary Rusk enclosing a copy of a newspaper article concerning our assistance to Yugoslavia and Indonesia.

The three patrol gunboats referred to in the article are being supplied to the Government of Indonesia under the Military Sales Agreement of August 13, 1958, between the United States and Indonesia. Under the terms of this agreement, the United States has engaged in a sales program to furnish military equipment and technical assistance to the Indonesian Armed Forces with the aim of assisting Indonesia to maintain its legitimate national defense and internal security. Since Indonesia is an island nation, these craft will be very useful for normal patrol operations as well as anti-smuggling activities. They were requested by the Government of Indonesia for these purposes.

Indonesia has followed a neutralist foreign policy which is described by the Government of Indonesia as "active and independent." In pursuit of this policy, the Indonesian Government has made it clear that it wishes to stand outside the conflict between East and West and that it desires to further the role of the Afro-Asian group of nations. Because of this, Indonesia has not joined SEATO or any other regional defense grouping. Within the country, the Indonesian Communist Party (Parti Komunis Indonesia--PKI) occupies a strong position in the Indonesian political scene. In the last two years the party has been active within the limits imposed by "Guided Democracy," a system of government instituted as a result of Indonesian discontent with the lack of achievement of their previous parliamentary political system. Under "Guided Democracy" the power and influence of all political parties has been circumscribed. Although the PKI, one of the largest Communist parties outside the Sino-Soviet bloc, is perhaps the best organized political party in Indonesia, its activities have been followed carefully and have been checked in several instances by military authorities who, under the emergency conditions prevailing in the country as a result of the

1958 rebellion,

The Honorable  
John F. Baldwin,  
House of Representatives.

PROPS: R SCISSORS

Cleared

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# OUTGOING TELEGRAM Department of State

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☐ CHARGE TO

3

SECRET  
Classification

JAN 31 8 18 PM '62

Origin

ACTION: Amembassy DJAKARTA

Info

INFO: CINCPAC/POLAD

Request for Presidential Determination authority use mutual security funds pursuant FY 1962 QUOTE sales program UNQUOTE agreement with Indonesia being delayed temporarily.

Embassy possibly not aware that Congress must be notified formally each time such action is taken by President. There is concern that the Congress would react unfavorably to an action taken by the President which would enhance the Indonesian military capability during the period of negotiations with the Netherlands Government. Congressional and public mail indicating much indignation re GOI posture.

We hopeful early and amicable accommodation in New York will enable further processing FY 1962 PD. Letter follows.

End.

ATTN

BALL

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Drafted by:

FE:SPA:RSL:ndquist:eb:1/30/62

Telegraphic transmission and  
classification approved by:

FE - W. A. HARRISMAN

Clearances:

SPA - Mr. Bell

FE - Mr. Sandri

FE - Mr. Peterson

S/S - Mr. Valiotes

FE - Mr. Rice

WE - Mr. Stoner

OSD/ISA - Mr. Sweet (substance)

PRC/S - Mr. Warren

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FORM  
DS-322

Classification

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By lat NARA Date 8/11/00

SAMUEL L. DEVINE  
12th District, Ohio  
COLUMBUS, OHIO

(4)

Congress of the United States  
House of Representatives  
Washington, D. C.

FE  
MEMBER OF CONGRESS  
FOR REPRESENTATIVE AND  
FAMILY COUNSELING  
REPRESENTATIVE OF  
TRANSPORTATION AND  
AERONAUTICS

Charles J. Chastang

February 1, 1962

Mr. Henry Wilson  
Administrative Assistant  
to the President  
White House  
Washington, D.C.

Dear Mr. Wilson:

Enclosed is a copy of a letter and newspaper clipping from Mr. Charles J. Chastang in which he asks a number of questions regarding the "gift" of a "luxury" helicopter to President Sukarno.

Would you forward me the necessary information for reply.

Sincerely,

Samuel L. Devine

SLD:jg  
Encl.

798-5622/2-162

X 8611.987

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INCOMING TELEGRAM

68 Department of State

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Action

Control: 13446

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Rec'd: MAY 18, 1962  
9:42 AM

Info

FROM: CHMILTAG DJAKARTA

G

TO: Secretary of State

L

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NO: 180430Z MAY

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OF

ACTION CINCPAC, INFORMATION OASD/ISA WASHDC, ATD WASHDC,  
AID/USOM DJAKARTA, AMEMB/ECON DJAKARTA.

RMR

MAAG RESPONSIBILITIES FOR LOCAL CURRENCY PROCEDURES

- (4)
- A. DEF 598642 FROM OASD/ISA/ODMA DTG 202244Z APR 62
  - B. CINCPAC 240038Z APR NOTAL
  - C. MILTAG 050700Z MAR
  - D. CINCPAC 160016Z MAR

1. THIS INFO PERTINENT ONLY TO SPECIFIC IDENTIFIABLE INDO  
MILITARY PROJECTS AND IS BASED ON EXPERIENCE WITH ONLY ONE  
SUCH PROJECT (ARMY BARRACKS CONSTR, DURING CY 60-61, TOTAL  
COEB 50 MILLION RUPIAH, FROM PL 480 FUNDS). THERE IS NO  
US-GOI MILITARY BUDGET SUPPORT AGREEMENT. THERE IS NO  
KNOWN GOI MILITARY BUDGET REQUIREMENT WHICH IS DEPENDENT  
ON US FUNDING SUPPORT. THERE ARE TWO CURRENT MILITARY  
REQUESTS (WAREHOUSE CONSTR AND BARRACKS CONTR) RECEIVED BY  
MILTAG FROM INDO ARMED FORCES. COUNTRY TEAM HAS RECEIVED  
AND CONSIDERED THEM AND HAS ASKED GOI REVIEW OF THE  
MILITARY REQUESTS. REPLIES IN FOLLOWING PARA USE SAME SUBPARA  
NUMBERS AS QUESTIONS IN REF A.

2 A.(1) NOT APPLICABLE

(2) ONLY GENERAL REVIEW. OBSERVE CONSTR PROGRESS AND END  
USE AS BY PRODUCT OF TRIP FOR OTHER PURPOSES.

B. NEGATIVE. NEITHER AGENCY ASSUMES RESP FOR FINANCIAL  
REVIEW. USOM RESP FOR DISB NLNDS AND KEEPING FINANCIAL RECORDS.

C. YES. A LARGER PROGRAM WILL REQUIRE BETTER REVIEW AND  
OBSERVATION.

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